Exhibit 1

UNITED STATES BANKRUPTCY COURT
DISTRICT OF DELAWARE

IN RE:	) Case No. 12-10010 (KG)
	) Chapter 11
COACH AM GROUP HOLDINGS CORP., *et al.*	)
	) Courtroom No. 3
	) 824 Market Street
Debtors.	) Wilmington, Delaware 19801
	)
	)
	) March 19, 2012
	) 2:00 P.M.

TRANSCRIPT OF HEARING
BEFORE HONORABLE CHIEF JUDGE KEVIN GROSS
UNITED STATES BANKRUPTCY JUDGE

APPEARANCES:

For The Debtors: Polsinelli Shughart
BY: CHRISTOPHER A. WARD, ESQ.
JUSTIN K. EDELSON, ESQ.
222 Delaware Avenue, Suite 1101
Wilmington, DE 19801
(302) 252-0920

Lowenstein Sandler PC
By: SHARON LEVINE, ESQ.
S. JASON TEELE, ESQ.
NICOLE STEFANELLI, ESQ.
65 Livingston Avenue
Roseland, New Jersey 07068
(973) 597-2500

ECRO: GINGER MACE

Transcription Service: Reliable
1007 N. Orange Street
Wilmington, Delaware 19801
Telephone: (302) 654-8080
E-Mail: gmatthews@reliable-co.com

Proceedings recorded by electronic sound recording: transcript produced by transcription service.

of Central Florida, and on approximately December 2, 2008, he boarded a bus shuttle at the college, the bus was owned and operated by an employee of American Coach Lines of Orlando, and he suffered a grave injury while riding that shuttle to class. He sustained very substantial injuries to his back, in particular, and on June 19th, 2009, he did file a law suit against American Coach Orlando which is pending in Florida, and that complaint is attached to our motion, it serves two causes of action. One is for vicarious liability, essentially it's a negligence action.

THE COURT: Right.

MR. ROSSNER: And the second cont is a statute that is relevant to Florida, it's the Florida's dangerous instrumentality doctrine. Basically the bus is a dangerous instrumentality, and it was operated by a Coach employee in a negligent manner, so that's the second count. And I'll just join in with the comments made by Mr. Sullivan and reserve rights to make a closing and to participate in any cross-examination of any witnesses.

THE COURT: All right.

MR. ROSSNER: Thank you, Your Honor.

THE COURT: Thank you, Mr. Rossner. Mr. Teele.

MR. TEELE: Thank you, Your Honor. For the record Jason Teele for the Debtors. You know, I listened to Mr. Sullivan's argument pretty closely and he gets a lot of it

right, but he misses the ultimate point. So let's talk about what he got right before we talk about what's missing from the argument. His reading of the insurance policies may well be correct that National Union might have a direct obligation to anybody who has a judgment claim under the policy. And he might well be correct that National Union is acting in a capacity almost as a surety with respect to folks that have claims under the policy.

THE COURT: Yes.

MR. TEELE: I'm not sure that we want to dispute that, I'm not sure that that's relevant to these motions. But what the point that was missed is that these policies undeniably on their face inarguably have a $5 million deductible. There's no way around it. The policies speak for themselves. The polices are in the record, we will move them into evidence shortly. Each policy that is applicable to each of these motions, the policies are substantially identical among the three motions. The only differences are it's the policy year for the year in which the accident occurred with respect to each Movant. All three policies here include a $5 million deductible. That $5 million deductible includes defense costs. That $5 million deductible is something that the company must pay or reimburse to the insurance company if the insurance company has to make any payments under the policy to a claimant.

Here's the point that's missed. If the Debtors default in their obligations to the insurance company, the insurance company has a direct right to draw down on the letter of credit. There have been several letters of credit over the last couple of years and they've increased in value. They're now in round numbers $39 million in favor of the insurance carriers under these policies.

Now, I'm not going to concede the point, but there may not be a point ever worth arguing that the insurance company probably could draw down on that letter of credit without coming back to Your Honor for prior approval because of the body of case law that says they can do that. I think if we ever got there, we might be in front of Your Honor asking for some relief, I'm not sure that we would get it.

THE COURT: But when? In other words, after they paid any judgment.

MR. TEELE: If they have to pay a judgment and they make a demand on the Debtors for reimbursement of the deductible and the Debtors tell the insurance carriers no, the insurance carriers will draw down on the letter of credit. We might have something to say about that if the automatic stay is still applicable. Your Honor might have something different to say about it, given the law of letters of credit and property of the estate.

THE COURT: Right.

THE COURT: Yes.

MR. SULLIVAN: So, Your Honor, I would respectfully request that it be kept on for April, and let's try to work around the scheduling issues.

THE COURT: Well, here's what we'll do. That's a good suggestion. First of all, if there is any possibility, and I'm not suggesting there is, that the sale date will be moved, we'll know closer to the 23rd whether or not that's going to occur, which will then open the 23rd for the motions to lift stay. Why don't we schedule a teleconference for Wednesday the 18th at 4:00 p.m., it's a status conference. And at that point I think we'll have greater certainty where matters are, where the discovery has played out and where the sale hearing is playing out and whether or not further submissions are even necessary. Okay, Mr. Sullivan?

MR. TEELE: That's, Your Honor, I'm sorry to do this to you, but that's the auction.

THE COURT: That's the auction, okay. Then let's do this on -- I don't think it'll be a very lengthy call. Let's do it at noon on the 17th. All right, noon on the 17th. This is a status conference, first of all where we are on the sale, and where the parties are on the discovery that's taken place.

MR. TEELE: So the 17th of April at 4:00 p.m. is the status call.

THE COURT: At noon, I'm sorry, at noon, yes.

MR. TEELE: At noon. And at that point in time are we expected to have made any progress on the discovery because given the schedule going forward, my personal suspicion confirmed by the reactions of everybody in Court today when they heard the proposed dates, is we're going to have to go dormant on the stay relief issues until after the sale hearing. So I don't believe that management, and frankly, the lawyers are going to have any time, meaningful amount of time to devote to these issues. We're prepared for this hearing, we're ready to go forward today. Frankly, you know, the whole point of filing for bankruptcy was to get some breathing room from these exact kinds of actions, and you know now our entire sale process is being put into jeopardy by having to respond to these actions. So I'm just concerned that if we have to have a status conference on the 17th --

THE COURT: Well, you know, it troubles me that a public carrier has a $5 million deductible. That may be a business decision, but it certainly isn't a business decision of people who get on those buses. And these people got on those buses and they were injured and I think they're entitled to be heard. So we're going to proceed as suggested. If you would like I will order discovery to be completed by March the 30th.

MR. TEELE: Your Honor, we'll go forward on the 17th.

THE COURT: All right. We'll have our telephone conference on the 17th, status conference to determine when we are next are heard, okay, at noon, and discovery should be taking place in the meantime.

MR. TEELE: Now earlier Your Honor said that April 13th would be the discovery cutoff. Is that not the case anymore? We should be making progress as you just said but --

THE COURT: The 13th is fine, I thought you were concerned, you were mentioning that that was the bid deadline.

MR. TEELE: Well, that's why I'm asking because I just want to make sure we're clear. If we're having a status conference on the 17th and Your Honor just commented that we should be making progress on the discovery by then, that's fine, we'll do our best. If Your Honor is saying that we have to have discovery completed by the 13th, that's a different thing.

THE COURT: Well, Mr. Teele, if you want to have a sale hearing on the 23rd you will cooperate with discovery before that date. Okay?

MR. TEELE: Very well.

THE COURT: Otherwise, I'll hear the lift stay